

**Statement of Dennis Ihara**

On May 10, 2007, Dennis Ihara, Deputy Registrar, Bureau of Conveyances (BOC), Department of Land and Natural Resources (DLNR) faxed to the office of Hilton J. Lui the following documents which were discovered in a folder in the BOC office:

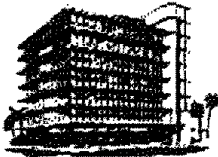
TG letter dated 7/23/98 to Mason Young from Michael Pietsch re: Project for Imaging Recorded Documents.

TG letter dated 4/17/98 to Mason Young re: installing and operating a high-speed paper scanning system and installing computers and software that allow the scanned images to be retrieved and viewed.

TG transmittal to Ihara re: past-due invoice, and past due TG invoice.

TG invoice to BOC dated 13 Sep 06.

Facsimile transmittal dated 01/9/98 to Cynthia Nakaya from Carl Watanabe re: scanning project and memorandum dated same.



# TITLE GUARANTY OF HAWAII

INCORPORATED

235 QUEEN STREET • P.O. BOX 308 • HONOLULU, HAWAII 96802 • TELEPHONE 533-8201

July 23, 1998

Post-It* Fax Note	7871	Date	5/10/07	# of pages	13
To	Hilton Lwi	From	Dennis Ihara		
Co./Dept.		Co.			
Phone #		Phone #			
Fax #	533-3323	Fax #			

Mr. W. Mason Young  
 Administrator  
 Bureau of Conveyances  
 1151 Punchbowl Street  
 Honolulu, Hawaii 96813

Re: Project for Imaging Recorded Documents

Dear Mr. Young:

The purpose of this letter is to respond to the questions raised in your letter of May 7, 1998 and to confirm our agreement.

1. TG has acquired the necessary high speed paper scanning equipment to be installed at the Bureau. We are currently testing the system in our offices. We hope to install the system at the Bureau in mid-August and to use the rest of August for training. We expect to commence operations on or about September 1.
2. We agree that scanning is to take place with as little interruption to daily activities of indexing and microfilming as is reasonably possible. Scanning will begin at approximately 3:30 in the afternoon for documents to be recorded at 8:01 a.m. the following day. For any other documents which have not been scanned, scanning will be done at such times as are mutually convenient to TG's and the Bureau's employees. It is recognized that it may be necessary to continue scanning after normal business hours in order to complete the work. The schedule may need to be modified as we gain experience with the operations.
3. TG will provide two terminals and two processing computers--one for scanning and one for indexing. The terminals will be used to retrieve and view images which



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Mr. W. Mason Young

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are stored on the on-site computer. We were contemplating also providing a printer, but we understand that the Bureau may provide its own printer. Please let us know the status on that matter. If the Bureau is to provide the printer, we assume it will be installed with the installation of our equipment. Any equipment supplied by TG will continue to be owned by TG, and TG will operate the system with its employees, at its sole cost. We understand that all necessary cabling and electrical work has already been accomplished.

4. As to printing privileges, we contemplate that TG will be able to print documents for its own use and that the Bureau will charge other title companies and the general public pursuant to its general schedule of charges. We understand those currently are \$ .50 per page. Since the revenue will belong to the Bureau, the Bureau will set those charges as it determines to be appropriate.

5. TG will provide the Bureau with a copy of each completed CD-ROM containing the scanned documents at no charge to the Bureau. Depending on the number of documents and the storage capacity of the CD-ROM, it is anticipated that a CD will be delivered every 2-3 days. The hard drive probably will have capacity for approximately seven days of documents based upon current volume estimates. Although the CD-ROM supplied to the Bureau will become the property of the Bureau, in order to enable TG to recover its costs, including amortization of its equipment, the Bureau will not reproduce, copy or sell or otherwise make available to other parties the CD-ROMs or the images in bulk. Images of the scanned documents may be accessed from the CD-ROMs and reproduced in hard copy for sale to members of the public as above indicated, but these will be on an individual document basis and not a bulk transfer of the images.

Also to help TG to recoup its costs, it is requested that during the period that the system is in operation,

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TG be relieved of paying the Bureau its monthly LCATs subscription and the cost of the dailys. TG will continue to pay the postage charges.

TG will do all that it reasonably can to make this project a success. We believe that both the Bureau and the general public will be better served and that valuable experience will be obtained to enable us to continue the project beyond its anticipated trial period and to reach a mutually satisfactory agreement as to a longer relationship.

If the foregoing does not comport with your understanding, please let me know and we will meet to promptly resolve any issues.

Sincerely,



MICHAEL A. PIETSCH  
President

cc: Carl Watanabe ✓

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**TITLE GUARANTY OF HAWAII**

INCORPORATED

235 QUEEN STREET  
HONOLULU, HAWAII 96813

Phone No. (808) 533-6281

Fax No. (808) 533-5854

April 17, 1998

Mason Young  
Administrator  
Bureau of Conveyances  
1151 Punchbowl  
Honolulu Hawaii 96813

Dear Mr. Young:

As a result of several discussions with both you and Carl Watanabe Title Guaranty of Hawaii ("TG") is pleased to offer this Letter of Intent. This pilot project involves scanning recorded documents and having the images available on line or by CD-ROM. The benefits to the Bureau of Conveyances ("Bureau"), Title Companies and the Public include ready access to the imaged document while the actual document is being processed through indexing and microfilming and implementing another phase in the automation of the Bureau. If accepted, TG will provide certain services and equipment to the Bureau. For this project:

- TG installs and operates a high-speed paper scanning system at the Bureau.
- TG also installs computers and software that allow the scanned images to be retrieved and viewed.
- TG operates this system daily, scanning all recorded documents. The documents are scanned after they have reached a certain point within the Bureau's internal workflow. (*Selection of this point has been informally agreed upon, but its ultimate location remains at the discretion of the Bureau.*)
- The Bureau is allowed to use one or two image viewing stations, to retrieve and view images scanned within the last week or two (how far back it can go is a function of the amount of storage space on the local computers used for image retrieval).
- TG is allowed to load the scanned images into its main Imaging System where they will be available to TG, the Bureau, and any interested third party customer. TG will assess a fair rate to users of the system in order to recoup its expenses.
- TG will provide a CD-Rom of the recorded documents to the Bureau.

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**TIMETABLE**

Thursday, October 15: Delivery of equipment to BOC and set up. Run preliminary program over Thursday and Friday. Actual scanning to begin the following week.

Once scanning begins, images can be accessed to make copies for general requests in room 122 and 121.

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## TITLE GUARANTY

235 Queen Street Honolulu Hawaii 96813

Finance and Accounting Department


Phone No. (808) 539-7782

Email: lkawano@tghawaii.com

Fax No. (808) 532-2081

## TRANSMITTAL

TO: Mr. Dennis Ihara  
State of Hawaii, Department of Land and Natural Resources  
Bureau of Conveyances

FROM: Lois Kawano 

SUBJECT: Past-Due Invoice #TG205-06

DATE: May 8, 2007

## Description of Contents:

Per our telephone conversation, enclosed is a copy of our outstanding invoice in the amount of \$58,184.94, dated September 13, 2006. This is the final invoice under State Contract Number ICS-FY-99-52.

Please call or email me at the address above if payment will not be processed by the end of this month. This invoice is delinquent, and we would like to receive payment.

Thank you for taking care of this.

- ☒ Per your request
- ☐ For your information
- ☐ For your review and comment
- ☒ For your action
- ☐ Other

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P A S T D U E

P L E A S E R E M I T



# Title Guaranty of Hawaii, Inc.

236 QUEEN STREET, HONOLULU, HI 96813 • P.O. BOX 3084, HONOLULU, HI 96802  
TELEPHONE: (808) 533-6261

## S T A T E M E N T

STATE OF HAWAII, DLNR  
MR. CARL WATANABE  
1151 PUNCHBOWL ST., S-122  
HONOLULU, HI 96813

Date: 4/30/2007  
Account: STATE01

Document No.	Date	Code	Description	Amount	Balance
	4/30/2007	BBF		\$58,184.94	\$58,184.94

Amount Due:

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\$58,184.94  
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Current

0-30 Days

31 - 60 Days

61 - 90 Days

91 - 120 Days

121 and Over

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

\$58,184.94

\$0.00

Codes: SLS = Sales / Invoices  
PMT = Payments  
DR = Debit Memos

FIN = Finance Charges  
CR = Credit Memos

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**TITLE GUARANTY OF HAWAII, INC.**

235 Queen Street • P. O. Box 3084 • Honolulu, HI 9

TITLE SYSTEMS Phone (808) 533-6261 FAX (808) 532-31

Mr. Carl Watanabe  
 State of Hawaii  
 Department of Land and Natural Resources  
 Bureau of Conveyances  
 1151 Punchbowl Street, Suite 122  
 Honolulu, HI 96813

INVOICE	
Date	Number
13-Sep-06	TG 205-06

**RE: Recorded Document Images**  
**Agreement Number: ICS-FY-99-52**

**DESCRIPTION****Tape No: RS 1992 - Tape 1**

**Total Pages:** 432,561 @ \$.015/page 6,488.42  
**Document Type:** RS  
**Document Range:** 92145673 - 92215606  
**Total Documents:** 69,934

**Tape No: RS 1992 - Tape 4**

**Total Pages:** 11,218 @ \$.015/page 168.27  
**Document Type:** RS  
**Document Range:** 92000001 - 92002074  
**Total Documents:** 2,074

**Tape No: RS 1993 - Tape 2**

**Total Pages:** 427,210 @ \$.015/page 6,408.15  
**Document Type:** RS  
**Document Range:** 93078812 - 93150548  
**Total Documents:** 71,737

**Tape No: RS 1993 - Tape 3**

**Total Pages:** 433,200 @ \$.015/page 6,498.00  
**Document Type:** RS  
**Document Range:** 93003897 - 93078811  
**Total Documents:** 74,915

**Tape No: RS 1994 - Tape 1**

**Total Pages:** 466,204 @ \$.015/page 6,993.06  
**Document Type:** RS  
**Document Range:** 94138880 - 94215898  
**Total Documents:** 77,018

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**Bureau of Conveyance:**

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**facsimile transmittal**

To: Cynthia Nakaya Fax: (808) 533-5854

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From: Carl Watanabe Date: 10/09/98

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Re: Scanning Project Pages: 3

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CC:

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☐ Urgent    ☒ For Review    ☐ Please Comment    ☐ Please Reply    ☐ Please Recycle

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Please review and advise if all concerns have been addressed. I can be reached at 587-0120.

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**BUREAU OF CONVEYANCES**  
**MEMORANDUM**

Date: October 9, 1998

To: Cynthia Nakaya, Title Guaranty

Fr: Carl Watanabe

Re: Scanning Pilot

Thanks for coming out to review the workflow and set up. Based on our walk thru and assessment of the operations, the following concerns were brought up and possible alternatives.

**RECEIVING**

Stapling of receipt to documents

Alternative: Taping receipt to back of document.

Stapling of return envelopes to documents

Alternative: Place document number on the envelope and attach with paper clip.

Documents not in numerical order

Alternative: Documents coming out of receiving will be placed in numerical order.

**INDEXING**

Documents unstapled by scanning personnel

Alternative: Placing a colored page to separate documents and placing documents in compartment boxes.

Scanning program cannot batch documents in sets

Alternative: Batcher will continue present practice of creating sets of documents.

Scanning can provide missing document numbers.

However, batcher must continue to monitor certificate issuances.

Scanning personnel will also separate Land Court orders from rest of documents.

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